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OCT 15 2007

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**REPORT ON THE
 FILING OR DETERMINATION OF AN
 ACTION REGARDING A PATENT OR
 TRADEMARK**

In Compliance with 35 U.S.C. § 290 and/or 15 U.S.C. § 1116 you are hereby advised that a court action has been filed in the U.S. District Court TRENTON on the following Patents or Trademarks:

DOCKET NO 07-4854	DATE FILED 10/9/2007	U.S. DISTRICT COURT TRENTON
PLAINTIFF CELGENE CORPORATION NOVARTIS PHARMACEUTICALS CORP NOVARTIS PHARMA AG	DEFENDANT INTELLIPHARMACEUTICS CORP.	
PATENT OR TRADEMARK NO.	DATE OF PATENT OR TRADEMARK	HOLDER OF PATENT OR TRADEMARK
1 5,908,850		SEE ATTACHED COMPLAINT
2 6,355,656		
3 6,528,530		
4 5,837,1284		
5 6,635,284		

In the above—entitled case, the following patent(s)/ trademark(s) have been included:

DATE INCLUDED	INCLUDED BY	<input type="checkbox"/> Amendment <input type="checkbox"/> Answer <input type="checkbox"/> Cross Bill <input type="checkbox"/> Other Pleading
PATENT OR TRADEMARK NO.	DATE OF PATENT OR TRADEMARK	HOLDER OF PATENT OR TRADEMARK
1		
2		
3		
4		
5		

In the above—entitled case, the following decision has been rendered or judgement issued:

DECISION/JUDGEMENT

CLERK **WILLIAM T. WALSH**, CLERK **DEPUTY CLERK**  DATE **10/9/2007**

Copy 1—Upon initiation of action, mail this copy to Director Copy 3—Upon termination of action, mail this copy to Director
 Copy 2—Upon filing document adding patent(s), mail this copy to Director Copy 4—Case file copy

44. IPC's submission of ANDA No. 78-992 to obtain approval to engage in the commercial manufacture, use or sale of IPC's Proposed Products prior to the expiration of the 2003 '284 patent, constitutes infringement of one or more of the claims of that patent under 35 U.S.C. § 271(e)(2)(A).

45. Unless enjoined by this Court, IPC, upon FDA approval of ANDA No. 78-992, will infringe the 2003 '284 patent under 35 U.S.C. § 271 by making, using, offering to sell, importing, or selling IPC's Proposed Products in the United States.

46. IPC had notice of the 2003 '284 patent prior to undertaking its act of infringement. IPC's infringement of the 2003 '284 patent has been, and continues to be, willful and deliberate.

47. Plaintiffs will be substantially and irreparably damaged and harmed if IPC's infringement of the 2003 '284 patent is not enjoined. Plaintiffs do not have an adequate remedy at law for this infringement.

Prayer For Relief

WHEREFORE, Plaintiffs respectfully request the following relief:

- (A) A Judgment declaring that IPC has infringed one or more claims of the '850 patent;
- (B) A Judgment declaring that IPC has infringed one or more claims of the '656 patent;
- (C) A Judgment declaring that IPC has infringed one or more claims of the '530 patent;
- (D) A Judgment declaring that IPC has infringed one or more claims of the 1998 '284 patent;
- (E) A Judgment declaring that IPC has infringed one or more claims of the 2003 '284

patent;

(F) An Order that the effective date of any FDA approval of ANDA No. 78-992 be a date which is not earlier than the later of the expiration of the '850 patent, or any expiration of exclusivity to which Plaintiffs are or become entitled;

(G) An Order that the effective date of any FDA approval of ANDA No. 78-992 be a date which is not earlier than the later of the expiration of the '656 patent, or any expiration of exclusivity to which Plaintiffs are or become entitled;

(H) An Order that the effective date of any FDA approval of ANDA No. 78-992 be a date which is not earlier than the later of the expiration of the '530 patent, or any expiration of exclusivity to which Plaintiffs are or become entitled;

(I) An Order that the effective date of any FDA approval of ANDA No. 78-992 be a date which is not earlier than the later of the expiration of the 1998 '284 patent, or any expiration of exclusivity to which Plaintiffs are or become entitled;

(J) An Order that the effective date of any FDA approval of ANDA No. 78-992 be a date which is not earlier than the later of the expiration of the 2003 '284 patent, or any expiration of exclusivity to which Plaintiffs are or become entitled;

(K) Preliminary and permanent injunctions enjoining IPC and its officers, agents, attorneys and employees, and those acting in privity or concert with them, from making, using, selling, offering to sell, or importing into the United States IPC's Proposed Products until after the expiration of the '850 patent;

(L) Preliminary and permanent injunctions enjoining IPC and its officers, agents, attorneys and employees, and those acting in privity or concert with them, from making, using, selling, offering to sell, or importing into the United States IPC's Proposed Products until after the expiration of the '656 patent;

(M) Preliminary and permanent injunctions enjoining IPC and its officers, agents, attorneys and employees, and those acting in privity or concert with them, from making, using, selling, offering to sell, or importing into the United States IPC's Proposed Products until after the expiration of the '530 patent;

(N) Preliminary and permanent injunctions enjoining IPC and its officers, agents, attorneys and employees, and those acting in privity or concert with them, from making, using, selling, offering to sell, or importing into the United States IPC's Proposed Products until after the expiration of the 1998 '284 patent;

(O) Preliminary and permanent injunctions enjoining IPC and its officers, agents, attorneys and employees, and those acting in privity or concert with them, from making, using, selling, offering to sell, or importing into the United States IPC's Proposed Products until after the expiration of the 2003 '284 patent;

(P) A declaration that the commercial manufacture, use, importation into the United States, sale or offering for sale of IPC's Proposed Products will directly infringe or induce and/or contribute to infringement of the '850 patent;

(Q) A declaration that the commercial manufacture, use, importation into the United States, sale or offering for sale of IPC's Proposed Products will directly infringe or induce and/or contribute to infringement of the '656 patent;

(R) A declaration that the commercial manufacture, use, importation into the United States, sale or offering for sale of IPC's Proposed Products will directly infringe or induce and/or contribute to infringement of the '530 patent;

(S) A declaration that the commercial manufacture, use, importation into the United States, sale or offering for sale of IPC's Proposed Products will directly infringe or induce and/or contribute to infringement of the 1998 '284 patent;

(T) A declaration that the commercial manufacture, use, importation into the United States, sale or offering for sale of IPC's Proposed Products will directly infringe or induce and/or contribute to infringement of the 2003 '284 patent;

(U) If IPC engages in the commercial manufacture, use, importation into the United States, offering to sell, or sale of IPC's Proposed Products prior to the expiration of the '850 patent, a Judgment awarding damages to Plaintiffs resulting from such infringement, increased to treble the amount found or assessed, together with interest;

(V) If IPC engages in the commercial manufacture, use, importation into the United States, offering to sell, or sale of IPC's Proposed Products prior to the expiration of the '656 patent, a Judgment awarding damages to Plaintiffs resulting from such infringement, increased to treble the amount found or assessed, together with interest;

(W) If IPC engages in the commercial manufacture, use, importation into the United States, offering to sell, or sale of IPC's Proposed Products prior to the expiration of the '530 patent, a Judgment awarding damages to Plaintiffs resulting from such infringement, increased to treble the amount found or assessed, together with interest;

(X) If IPC engages in the commercial manufacture, use, importation into the United States, offering to sell, or sale of IPC's Proposed Products prior to the expiration of the 1998 '284 patent, a Judgment awarding damages to Plaintiffs resulting from such infringement, increased to treble the amount found or assessed, together with interest;

(Y) If IPC engages in the commercial manufacture, use, importation into the United States, offering to sell, or sale of IPC's Proposed Products prior to the expiration of the 2003 '284 patent, a Judgment awarding damages to Plaintiffs resulting from such infringement, increased to treble the amount found or assessed, together with interest;

(Z) Attorneys' fees in this action based on willful infringement pursuant to 35 U.S.C.

§ 284 and/or as an exceptional case pursuant to 35 U.S.C. §§ 271(e)(4) and 285;

(AA) Costs and expenses in this action; and

(BB) Such further and other relief as this Court may deem just and proper.

Dated: October 5, 2007

Respectfully submitted,

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LOCAL CIVIL RULE 11.2 & 40.1 CERTIFICATION

I hereby certify that the matters captioned: (1) *Celgene Corporation, et al. v. Teva Pharmaceuticals USA, Inc.*, Civil Action No. 04-4030 (FLW)(JJH); (2) *Celgene Corporation, et al. v. Teva Pharmaceuticals USA, Inc.*, Civil Action No. 06-6154 (FLW)(JJH); and (3) *Celgene Corporation, et al. v. Teva Pharmaceuticals USA, Inc.*, Civil Action No. 07-4459 (JLL)(CCC) are related to the matter in controversy. The first two cases have been consolidated and are currently pending before the Honorable Freda L. Wolfson. The third case, and the most recently filed matter, is the subject of a letter I submitted to the Chief Judge of this Court on October 1, 2007, requesting that the matter be reassigned to Judge Wolfson, before whom the two earlier-filed, related cases are pending. These cases are related to the matter in controversy because they involve the same plaintiffs and patents.

I also certify that the matters captioned *Celgene Corporation, et al. v. Abrika Pharmaceuticals, Inc., et al.*, Civil Action No. 06-5818 (SDW)(MCA) and *Celgene Corporation, et al. v. KV Pharmaceutical Company* are related cases.

I further certify that, to the best of my knowledge, the matter in controversy is not the subject of any other action pending in any court, or of any pending arbitration or administrative proceeding.

Dated: October 5, 2007

Respectfully submitted,

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UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

CELGENE CORPORATION, NOVARTIS)
PHARMACEUTICALS CORPORATION and)
NOVARTIS PHARMA AG,)
v.) Plaintiffs,)
INTELLIPHARMACEUTICS CORP.,)
Defendant.)

Civil Action No. 07-4854 (PAN)

**COMPLAINT FOR PATENT
INFRINGEMENT**

(Filed Electronically)

Plaintiffs Celgene Corporation ("Celgene") and Novartis Pharmaceuticals Corporation and Novartis Pharma AG, (collectively referred to herein as "Novartis"), by their attorneys, for their Complaint against defendant IntelliPharmaCeutics Corp. ("IPC"), allege as follows:

Nature of the Action

1. This is an action for patent infringement under the patent laws of the United States, 35 United States Code, arising from IPC's filing of an Abbreviated New Drug

Application (“ANDA”), with the United States Food and Drug Administration (“FDA”), seeking approval to market a generic version of Novartis’ patented FOCALIN XR® drug product prior to the expiration of Celgene’s United States Patent Nos. 5,908,850 (the “‘850 patent”), 6,355,656 (the “‘656 patent”), 6,528,530 (the “‘530 patent”), 5,837,284 (the “1998 ‘284 patent”), and 6,635,284 (the “2003 ‘284 patent”), all of which cover the FOCALIN XR® product or its use.

The Parties

2. Plaintiff Celgene Corporation is a corporation organized and existing under the laws of the State of Delaware, having a principal place of business at 86 Morris Avenue, Summit, New Jersey 07901.

3. Plaintiff Novartis Pharmaceuticals Corporation is a corporation organized and existing under the laws of the State of Delaware, having a principal place of business at 59 Route 10, East Hanover, New Jersey 07936.

4. Plaintiff Novartis Pharma AG is a corporation organized and existing under the laws of Switzerland, having an office and place of business at Lichtstrasse 35, CH-4056 Basel, Switzerland.

5. Defendant IPC is a corporation organized and existing under the laws of Canada, having a place of business at 30 Worcester Road East, Etobicoke, Ontario, Canada, M9W 5X2.

6. IPC prepared and filed with the FDA, pursuant to 21 U.S.C. § 355(j), ANDA No. 78-992 concerning generic versions of 5 mg, 10 mg, 15 mg, and 20 mg of FOCALIN XR® brand, extended release dextroamphetamine hydrochloride capsules (collectively referred to herein as “IPC’s Proposed Products”).

7. Upon information and belief, if ANDA No. 78-992 is approved, it is the intention of IPC to commercially manufacture, use, and sell IPC’s Proposed Products in the United States.

Jurisdiction and Venue

8. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a).

9. This court has personal jurisdiction over IPC because of: i) IPC's continuous and systematic contacts with New Jersey; ii) IPC's specific contacts with New Jersey relating to the transactions that are the subject matter of this Complaint, in particular, the filing of ANDA No. 78-992. For example, upon information and belief, IPC collaborated with Par Pharmaceutical, Inc. ("Par"), a New Jersey corporation having a place of business in Woodcliff Lake, New Jersey, to develop, prepare, test products, and submit ANDA No. 78-992. Further, upon information and belief, if ANDA No. 78-992 is approved, Par will, and for the benefit of IPC as its agent, manufacture, distribute, market and sell IPC's Proposed Products in this judicial district; iii) IPC's designation of Par as its agent for service of process at Par's New Jersey place of business pursuant to the requirements set forth in 21 C.F.R. § 314 under which an ANDA applicant must provide notice of its certification to the patent holder; and/or iv) Fed. R. Civ. P. § 4(k)(2).

10. Venue is proper in this judicial district pursuant to 28 U.S.C. §§ 1391 and 1400(b).

The Patents-in-Suit and the FOCALIN XR® Drug Product

11. The '850 patent, entitled "Method of Treating Attention Deficit Disorders With D-Threo Methylphenidate," duly and legally issued to Celgene on June 1, 1999, by the United States Patent and Trademark Office ("PTO"). A copy of the '850 patent is attached hereto as Exhibit A. The '850 patent includes claims directed to methods of treatment using *d-threo* methylphenidate.

12. The '656 patent, entitled "Phenidate Drug Formulations Having Diminished Abuse Potential," originally duly and legally issued to Celgene on March 12, 2002, by the PTO. An *Ex Parte* Reexamination Certificate, which amended certain claims of the '656 patent and added new claims, issued on March 27, 2007, by the PTO. Copies of the '656 patent and the *Ex Parte* Reexamination Certificate for the '656 patent are attached hereto as Exhibit B. The '656 patent claims are directed to pharmaceutical unit dosages of *d-threo* methylphenidate.

13. The '530 patent, entitled "Phenidate Drug Formulations Having Diminished Abuse Potential," duly and legally issued to Celgene on March 4, 2003, by the PTO. A copy of the '530 patent is attached hereto as Exhibit C. The '530 patent includes claims directed to pharmaceutical unit dosages of *d-threo* methylphenidate.

14. The 1998 '284 patent, entitled "Delivery of Multiple Doses of Medications," duly and legally issued to Celgene on November 17, 1998, by the PTO. A copy of the 1998 '284 patent is attached hereto as Exhibit D. The 1998 '284 patent includes claims directed to extended release dosage forms of methylphenidate drug products.

15. The 2003 '284 patent, entitled "Delivery of Multiple Doses of Medications," duly and legally issued to Celgene on October 21, 2003, by the PTO. A copy of the 2003 '284 patent is attached hereto as Exhibit E. The 2003 '284 patent includes claims directed to an extended release dosage form and claims directed to a method of treating disease with certain extended release dosage forms.

16. Celgene is the owner by assignment of all right, title and interest in the '850 patent, the '656 patent, the '530 patent, the 1998 '284 patent, and the 2003 '284 patent (collectively referred to herein as the "Patents-in-Suit"). Novartis Pharma AG is the exclusive licensee, in certain fields of use, of the Patents-in-Suit.

17. Novartis Pharmaceuticals Corporation holds an approved New Drug Application for extended release capsules of 5 mg, 10 mg, 15 mg, and 20 mg, extended release capsules of the hydrochloride salt of *d-threo*-methylphenidate, also known as dexmethylphenidate hydrochloride, which it sells as commercial products under the trade name FOCALIN XR®. These commercial products or their use are covered by one or more claims of the Patents-in-Suit.

Acts Giving Rise To This Action

18. Celgene and Novartis (collectively referred to herein as "Plaintiffs") received a letter from IPC dated August 23, 2007, notifying them that IPC had filed ANDA No. 78-992 with the FDA seeking approval to market 5 mg, 10 mg, 15 mg, and 20 mg, extended release dexmethylphenidate hydrochloride capsules, including a certification pursuant to 21 U.S.C. § 355(j)(2)(vii)(IV) ("Paragraph IV Certification") that, in IPC's opinion, all claims of the Patents-in-Suit are invalid, unenforceable, and/or not infringed by IPC's Proposed Products.

19. IPC submitted ANDA No. 78-992 to the FDA to seek approval to engage in the commercial manufacture, use and sale of IPC's Proposed Products prior to the expiration of the Patents-in-Suit, which are listed in the FDA publication entitled "Approved Drug Products with Therapeutic Equivalence Evaluations," as being applicable to the patented FOCALIN XR® products.

20. Upon information and belief, IPC intends to engage, and will engage, in the commercial manufacture, use or sale of IPC's Proposed Products promptly upon receiving FDA approval to do so.

21. Upon information and belief, IPC's ANDA No. 78-992 contains information showing that IPC's Proposed Products (a) are bioequivalent to the patented FOCALIN XR® products, (b) have the same active ingredient as the patented FOCALIN XR® products, (c) have the same route of administration and strength as the patented FOCALIN XR® products, and (d)

have the same, or substantially the same, dosage form and proposed labeling, and the same indication and usage, as the patented FOCALIN XR® products.

22. This action is being brought pursuant to 21 U.S.C. § 355(j)(5)(B)(iii) before the expiration of forty-five days from the date of receipt by Plaintiffs of the Notification Letter.

Count I: IPC's Filing of the ANDA Infringes the '850 Patent.

23. Plaintiffs repeat and reallege the allegations of paragraphs 1-22 as though fully set forth herein.

24. IPC's submission of ANDA No. 78-992 to obtain approval to engage in the commercial manufacture, use or sale of IPC's Proposed Products prior to the expiration of the '850 patent, constitutes infringement of one or more of the claims of that patent under 35 U.S.C. § 271(e)(2)(A).

25. Unless enjoined by this Court, IPC, upon FDA approval of ANDA No. 78-992, will infringe the '850 patent under 35 U.S.C. § 271 by making, using, offering to sell, importing, or selling IPC's Proposed Products in the United States.

26. IPC had notice of the '850 patent prior to undertaking its act of infringement. IPC's infringement of the '850 patent has been, and continues to be, willful and deliberate.

27. Plaintiffs will be substantially and irreparably damaged and harmed if IPC's infringement of the '850 patent is not enjoined. Plaintiffs do not have an adequate remedy at law for this infringement.

Count II: IPC's Filing of the ANDA Infringes the '656 Patent.

28. Plaintiffs repeat and reallege the allegations of paragraphs 1-27 as though fully set forth herein.

29. IPC's submission of ANDA No. 78-992 to obtain approval to engage in the commercial manufacture, use or sale of IPC's Proposed Products prior to the expiration of the

'656 patent, constitutes infringement of one or more of the claims of that patent under 35 U.S.C. § 271(e)(2)(A).

30. Unless enjoined by this Court, IPC, upon FDA approval of ANDA No. 78-992, will infringe the '656 patent under 35 U.S.C. § 271 by making, using, offering to sell, importing, or selling IPC's Proposed Products in the United States.

31. IPC had notice of the '656 patent, and its reexamination, prior to undertaking its act of infringement. IPC's infringement of the '656 patent has been, and continues to be, willful and deliberate.

32. Plaintiffs will be substantially and irreparably damaged and harmed if IPC's infringement of the '656 patent is not enjoined. Plaintiffs do not have an adequate remedy at law for this infringement.

Count III: IPC's Filing of the ANDA Infringes the '530 Patent.

33. Plaintiffs repeat and reallege the allegations of paragraphs 1-32 as though fully set forth herein.

34. IPC's submission of ANDA No. 78-992 to obtain approval to engage in the commercial manufacture, use or sale of IPC's Proposed Products prior to the expiration of the '530 patent, constitutes infringement of one or more of the claims of that patent under 35 U.S.C. § 271(e)(2)(A).

35. Unless enjoined by this Court, IPC, upon FDA approval of ANDA 78-992, will infringe the '530 patent under 35 U.S.C. § 271 by making, using, offering to sell, importing, or selling IPC's Proposed Products in the United States.

36. IPC had notice of the '530 patent prior to undertaking its act of infringement. IPC's infringement of the '530 patent has been, and continues to be, willful and deliberate.

37. Plaintiffs will be substantially and irreparably damaged and harmed if IPC's infringement of the '530 patent is not enjoined. Plaintiffs do not have an adequate remedy at law for this infringement.

Count IV: IPC's Filing of the ANDA Infringes the 1998 '284 Patent.

38. Plaintiffs repeat and reallege the allegations of paragraphs 1-37 as though fully set forth herein.

39. IPC's submission of ANDA No. 78-992 to obtain approval to engage in the commercial manufacture, use or sale of IPC's Proposed Products prior to the expiration of the 1998 '284 patent, constitutes infringement of one or more of the claims of that patent under 35 U.S.C. § 271(e)(2)(A).

40. Unless enjoined by this Court, IPC, upon FDA approval of ANDA No. 78-992, will infringe the 1998 '284 patent under 35 U.S.C. § 271 by making, using, offering to sell, importing, or selling IPC's Proposed Products in the United States.

41. IPC had notice of the 1998 '284 patent prior to undertaking its act of infringement. IPC's infringement of the 1998 '284 patent has been, and continues to be, willful and deliberate.

42. Plaintiffs will be substantially and irreparably damaged and harmed if IPC's infringement of the 1998 '284 patent is not enjoined. Plaintiffs do not have an adequate remedy at law for this infringement.

Count V: IPC's Filing of the ANDA Infringes the 2003 '284 Patent.

43. Plaintiffs repeat and reallege the allegations of paragraphs 1-42 as though fully set forth herein.